BEFORE

THE PUBLIC SERVICE COMMISSION OF

SOUTH CAROLINA

DOCKET NO. 2001-209-C - ORDER NO. 2003-449

JULY 9, 2003

Application of BellSouth Telecommunications,) ORDER VACATING IN RE: Inc. to Provide In-Region InterLATA Service

) ORDER NO. 2003-235) AND SCHEDULING

Pursuant to Section 271 of the

) HEARING

Telecommunications Act of 1996.

This matter comes before the Public Service Commission of South Carolina (the Commission) by way of a six-month review of BellSouth Telecommunications, Inc.'s (Bellsouth) performance data, the Incentive Penalty Plan (IPP), the Tier One Penalty regarding the Change Control Process (CCP), and the Commission Staff's proposed mediation process. Initially, the Commission granted BellSouth's Motion for a paper proceeding in Order No. 2003-235. After the issuance of Order No. 2003-235, BellSouth filed a Proposed Order and Brief and the Commission Staff filed a Brief with the Commission. On July 1, 2003, the six-month review was placed on the Commission's Agenda for disposition.

We have reviewed the Briefs, Proposed Order and prefiled testimony in this case. However, the Commission believes that a hearing should be scheduled to allow interested parties and the Commissioners an opportunity to present questions to witnesses regarding the calculation of the penalty function of the IPP, more specifically the difference between the mean and the confidence level, and the Tier One Penalty regarding the Change Control Process. The other two issues in the six-month review – the performance data and the proposed mediation process—are not contentious and, therefore, need not be addressed at the hearing. However the performance data issue and the proposed mediation process will be addressed in the order in this matter.

IT IS THEREFORE ORDERED THAT:

- 1. Order Number 2003-235 dated April 15, 2003, is hereby vacated.
- 2. A hearing to address the calculation of the penalty function of the IPP, the difference between the mean and the confidence level, and the Tier One Penalty issue associated with the CCP shall convene on **August 21, 2003, at 10:30 a.m.** in the Commission's Hearing Room.
- 3. BellSouth's performance data and the proposed mediation process shall not be addressed at the August 21, 2003, hearing.

IT IS SO ORDERED.

BY ORDER OF THE COMMISSION:

Mignon L. Clyburn, Chairman

ATTEST:

Gary E. Walsh, Executive Director

(SEAL)